

Mayor David Anderson called the regularly scheduled council meeting of January 22, 2008 to order at 7:00 p.m. Present for the meeting were Mayor Anderson, Council President John Langs, Council Members David Sims, Connie Wells, and Dave Gray, City Administrator Stephen Boorman, Clerk Kris Larson, Police Chief Dave Kramer, Fire Chief Larry Owsley, Water Department Foreman Jim Fritzsche, Water Department Employee Doug Ladely, and Economic Development Coordinator Mike Sloan. Also present were Mike Ashby and Ralph Lotspeisch.

Mike Ashby spoke on behalf of the American Legion Club. He said they would like to put a sign at the entrance of the Library Park naming it the Veteran's Memorial Park. He presented a drawing of the sign design that the American Legion is proposing. He said the County Commissioners have assured him that there is funding available. The name on the drawing was Boundary County Veteran's Memorial Park and he told the council the name could be changed to Veteran's Memorial Park. He said the sign should be lighted. The property near the library is owned by Idaho Transportation Department according to Stephen but there is also some city property in that area. John Langs asked if the library has any comments. Mike Ashby said he has not spoken to the library. John Langs moved in honor of his son who is serving in Iraq to name the park the Veteran's Memorial Park. Dave Gray seconded the motion. Mayor Anderson said the item is not on the agenda. Mike said he would like to have the sign installed by Memorial Day. John Langs rescinded his motion and Dave Gray rescinded his second.

Marcia Cossette and Attorney Tim Wilson joined the meeting at 7:09 p.m.

Mike Ashby left the meeting.

Dave Kramer said there have been drug arrests, petty theft arrests, and a DUI arrest since the last meeting. The new reserves and Jeanette Woodard received their taser training. Dave spoke of a 19 year old criminal that was sentenced for burglaries. Dave Kramer spoke of the needed video equipment that will be addressed further down on the agenda.

Larry Owsley gave the fire report and said there was an incident on Badger and Tamarack streets. There was also a fire call for the building next to city hall where the owner of the building had a weed burner on high and he was not in the room. Larry spoke to the owner and told him not to do that again. Larry also spoke of the broken fire line at the old mill site and the amount of water that drew down due to the leak. The leak caused trouble for fire fighting on the south hill until the leak was stopped and the water built back up at the water tank. Larry cautioned about the need for this issue to be addressed before any development occurs at the old mill site. Stephen said valves will be put on the lines so the services can be shut off and drained in the future. Dave Sims asked if the lines belonged to the city or Riley Creek. Stephen said they belonged to Riley Creek. John Langs asked if Riley Creek has been notified that the fire system has shut down. Stephen said they have been notified. Dave Anderson asked if the meeting at the fire hall could begin at 6:00 p.m. on the 28th of January at the McCall Street station. Larry said that would be fine. Larry said there is a need for all new pagers and mobile

radios and there is grant funding available for this through Homeland Security. Dave Kramer said there is left over funding in the 2005 grant and this will allow all departments in the county to be compatible. He will have a list for council at a later date. Larry also spoke about upgrading the SCBAs through agreement with Hall Mountain Fire Association and moving our old ones to the City of Moyie or Pack River. He said this would enable the city to update our equipment at minimal cost.

Stephen gave the administrator report. He said there is a land planning seminar by Will Herrington on February 11th. He said the alignment of unit 4 will be done next week. He said the snow plow season has been a bit heavier than the past few years. The block grant for engineering and administration for the second phase of the water project has made the cut and there are six applications on review at Department of Commerce. There is a 90 day construction period anticipated for the clarifier project and it is a bit delayed. Stephen has done research on lining the swimming pool. Sewer dredging request for proposals will be going out this week. B.F. Builders will be working on the slick surface at the visitor center when the weather warms up according to Phil Boyd who called Stephen today. John Langs inquired if this would be at city expense. Stephen said it would be at the expense of B.F. Builders.

Dave Gray moved to approve the consent agenda. Dave Sims seconded the motion. The motion passed, all in favor. The consent agenda contained the following: roll call; approval of January 22, 2008 accounts payable; approval of payroll dated January 18, 2008; approval of January 22, 2008 treasurer's report.

Dave Gray moved and John Langs seconded tabling the annexation issue. The motion passed, all in favor.

John Langs moved to table the resort tax issue. Connie Wells seconded the motion. Dave Sims asked for a time table for the resort tax issue at the next meeting. The motion passed, all in favor.

The water/sewer discharge permit issue will be kept on the agenda until the items are taken care of.

Stephen spoke about the golf contract. In 1999 the golf contract was raised to \$45,600 and it has remained at that rate since then. Stephen said they are proposing \$49,000 for the next year and raise it five percent for 2009 and to increase the clubhouse rent to \$3,750 with an increase of five percent also and to review it after 2009. Stephen said the Golf Committee has not reviewed this offer but they have approved a five year contract. Ralph said they also suggested he receive an increase to the contract. Ralph said there a lot of things he needs to do that cause quite a bit of hand work.

Dave Sims moved to enter into a five year contract and accept the changes Stephen has made. Dave Gray seconded the motion. John Langs read from the memo submitted by Stephen. Dave

Gray and John Langs do not like being left out of the loop and they are unhappy about not being supplied the financial information at an earlier date. Dave Sims said there is a contract fee that has not been adjusted in eight years. They do not feel the workings are acceptable. John Langs said he will vote against the motion tonight just because he has not been afforded the review of the financial information not because of the content of the motion. Mayor Anderson said we will proceed on the motion this evening. Dave Sims "yes", Dave Gray "no", Connie Wells "no", John Langs "no". John Langs said he would like to have the issue on the agenda at the next meeting to make a decision. Ralph asked how to get information to council since he had hand delivered the financial statement at a previous meeting. The group discussed confidentiality of the golf course manager information and public information. Dave Anderson said there is a communication breakdown and there needs to be clarification of what council wants. He also said labor costs have gone up since 1999 and the bulk of Ralph's expenses are attributed to labor. There is quite a bit of information that is public information kept at the city but Ralph's information is confidential. The issue will be on the agenda at the next council meeting.

Stephen spoke regarding the facility extension policy. He said utilities have retirement of service policies. He said we have a hook on fee and when a customer retires a service and then they request to have it reconnected they have to come forth and pay a hook on fee. He gave the history of a customer coming forward and asking for services after it has been retired. Stephen suggested charging the customer the base utility fees plus the actual department costs for the work done to hook up the service again. Stephen spoke about capitalization fees. He said our fees are based on depreciated costs rather than replacement costs. Tim will have to research the issue for the next meeting. The group discussed fees and disclaimers. Stephen said we do require signatures on a retirement of service. Stephen explained connect fees verses hookup fees. Tim said prorata fees are the confusion. Stephen explained the hook up fee to Tim as a capitalization fee. Mayor Anderson said a new service is buying into the base of the system when they pay a hook up fee. Doug Ladely said at this time of year we shut off the water and then when weather permits the water department will go out and take out the service but in the case of Head Start the service had not been taken out completely before they asked to be hooked up again. The retirement of services was discussed. Jim Fritzsche spoke about the charitable aspect of Head Start. Dave Sims moved to table the issue until the next meeting for legal review. Dave Gray seconded the motion. Dave Anderson is fearful of too many options for the consumer. The motion passed, all in favor.

Mayor Anderson said the city has authorized the advertisement of the job in the clerk/treasurer's office and taking the billing back in-house. John Langs asked if the issue of bonding was researched. Kris said it was and gave the portion of the ICRMP policy stating this to John to review. The group discussed hiring of employees. Tim Wilson explained the executive branch of government and the legislative powers of the council. John Langs clarified that he had asked for the hiring of the additional position to be put on the agenda. He also asked if this position will be tied to additional burden in the clerk's office due to the billing. Kris said the position will

be for both the duties we currently have as well as billing. Dave Sims moved to hire an additional position in the clerk/treasurer's office. John Langs seconded the motion. The group discussed the wage split in the treasurer's office. The motion passed, all in favor.

Mayor Anderson asked that the samples of agendas be given to all council. John Langs moved to table the agenda discussion. Connie Wells seconded the motion. The motion passed, all in favor.

John Langs moved to table items 12, 13, 14, 15 due to the equipment rates being different on the contracts. Stephen spoke regarding the contractor agreements. He said he gets the rates from the contractor and when there is a need Stephen said the city contacts the contractor with the lowest rate first and works its way up. He said we are familiar with the contractors and their equipment. Dave Gray asked if the contractors are familiar with the system Stephen uses. He said they are and we require the submission of their insurance up front. Mayor Anderson said we are looking at the taxpayer's best interests. John withdrew his motion.

Dave Gray moved to contract with Mike Kelly Excavating with the proper dates in the contract. Dave Sims seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

Connie Wells moved to contract with KGT. John Langs seconded the motion and it passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

John Langs moved and Dave Sims seconded contracting with Mastre Backhoe. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

John Langs moved and Connie Wells seconded contracting with Wil Brimhall Excavating. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

John Langs moved to authorize Mayor to sign the contract with ER Balancing. Dave Gray seconded the motion and it passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

John Langs moved and Dave Gray seconded to contract with Lake City Infrared. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

Stephen explained the nondisclosure agreements with Northern Lights and Kootenai Electric. He said Riley Creek has requested information concerning their utility accounts with Northern Lights and Kootenai Electric and the nondisclosure agreements assure that this information will not be made public. Mayor Anderson asked if Tim Wilson had reviewed the agreements and what he thought. Tim said he did review the agreements and suggested a wording change defining the disclosure under the Freedom of Information Act and Idaho Code 9-34D and information in both party's view falls within this category. He wanted to make sure the information comes under the exemption for both parties. Mayor Anderson explained that we

have one customer with 20 percent of our load and they are requesting that we garner an agreement to keep a trade secret a trade secret. Dave Sims moved to authorize the Mayor to sign the nondisclosure agreements. Connie Wells seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

Dave Kramer spoke regarding the in car video systems he would like to purchase. He said there is grant funding available for this purchase of equipment in the amount of \$11,500. The city earns credit toward this grant funding throughout the year. Tim Wilson said there was a court case today where the individual refused field sobriety tests and was arrested and refused the breathalyzer tests. When this went to jury trial and the opposing attorney put on the argument that the video equipment is available and the city does not have the equipment operational it opens up the roadway for increased failures of infraction and misdemeanor cases. There was a jury case today that the city lost because of the non-working video system. Dave Kramer said the new system will be DVD with a pre-event and post event feature. Mayor Anderson asked how old the current system is and why both systems are down at the same time. Dave Kramer thinks we have had the VCR system for five years or so. Last year Huppins did repair the system at one time and then Ken’s Electronic Repair worked on the systems another time. The repairs did not last and that is why Dave is requesting purchasing the new system now. Dave Kramer explained the traffic control incentive grant to council and said the equipment is important. Dave Sims moved to purchase the in car video systems in an amount up to \$11,000. Dave Gray seconded the motion. The motion passed, all in favor.

Stephen explained the request for proposals for sewer lagoon dredging. He said this should go a long way in helping our discharge permit for the sewer lagoons. We are proposing fabric bags full of material be put on the dikes and then the water will drain back into the ponds. This will help get more depth in the ponds and then we will get more life out of the lagoons. Dave Sims asked what we do with the bags. Stephen said they will probably be hauled to the dump after they have sat for three or four months. He said we have not ruled out land application but DEQ rules are pretty tight now. John Langs moved to get quotes for sewer lagoon dredging. Connie Wells seconded the motion. The motion passed, all in favor.

Stephen explained the highway 95 bridge water line re-route. He said the worst case scenario is that the northside could be out of water. There is a suspension joint on the bridge and a new bearing plate will need to be installed. There is not adequate clearance on our waterline that is attached to the bridge where there are thrust restraints on our line. We would move the waterline permanently and we are on a tight timeline for this according to Stephen. This contract only looks at the north side of the bridge. John Langs moved to authorize the Mayor to contract with Welch Comer for design changes for the waterline highway 95 realignment. Dave Sims seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

The construction loan with DEQ for the water projects was discussed. Dave Gray moved to accept the loan offer to increase the construction loan with DEQ from \$1.5 million to \$3 million. Dave Sims seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

The amendment for the Idaho Department of Commerce grant contract was discussed. The amendment reclassifies budget amounts within the contract. Connie Wells moved to approve the amendment with the Department of Commerce on the block grant. Dave Gray seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

Dave Gray moved to approve the catering permit for the Eagles for the Pheasants Forever banquet. Connie Wells seconded the motion. The motion passed, all in favor.

Stephen said the hiring policy is for the council’s review and comment and it is just a draft. Dave Sims asked to move the hiring policy down on the agenda until the attorney comes back.

John Langs moved to appoint Dave Winey as a volunteer fireman for our fire department. Dave Sims seconded the motion. The motion passed, all in favor.

The memorandum of understanding (MOU) with the City of Sandpoint for water treatment options was discussed. Stephen said there may be actual time and equipment costs associated with this if they come to Bonners Ferry to work with us. He said the City of Sandpoint has agreed to provide the backup water treatment operator and this is quite wonderful for the City of Bonners Ferry. Our operator may need to go back them up at some point also. Dave Gray moved to approve the MOU with Sandpoint pending legal review. Dave Sims seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

John Langs moved to take item 28 to executive session. Connie Wells seconded the motion. The motion passed, all in favor.

Unit 4 realignment was discussed. Stephen said laser realignment is the preferred method and that is what Ray Sackman used. The structure is built on river gravel and it is hard on the bearings of the machine if it is not aligned properly. Dave Sims moved to authorize the change order for unit 4 realignment. (Clerk’s note: this is change order #3 for an increase of \$15,000). John Langs seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

Stephen said the FERC Part 12 inspections are required every five years and at the last inspection it was noted that tracking of the inspections is needed. The dam relicensing process will need to be done in 2023. John Langs moved to sign the change order with Devine Tarbell and Associates for the FERC Part 12 inspections. (Clerk’s note: the change order was for time and material up to \$10,000 to cover additional engineering analysis and inspection program development required after the Potential Failure Modes Analysis). Dave

Sims seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

Stephen said the operations of the visitor center and volunteers are being considered by the Chamber of Commerce and this contract addresses this issue. Mike Sloan said this has been discussed in the past and it has been reviewed and approved by the Chamber. He said they are operating two days a week now and when it warms up it will be open four days and then six days. Friday and Saturday from 11:00 a.m. to 3:00 p.m. are the current hours and when daylight allows the hours will be extended. Dave Sims asked about the hours in July and August. Mike said he will work on this because he was not sure. Stephen said hours of use are driven by other visitor centers because tourists have this knowledge. Mike said there is a visitor log where people sign in but not a log of the time of day and this will be done this year. John Langs moved to authorize the Mayor to sign the contract with Chamber of Commerce for operating at the visitor center. Dave Gray seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

The group discussed the capital purchase memo and property tax legislation.

At 9:22 p.m. John Langs moved per Idaho Code 67-2345 subsection 1 to go into executive session to consider personnel matters and he also requested a roll call vote. Dave Gray seconded the motion. The motion passed – Dave Gray “yes”, Connie Wells “yes”, Dave Sims “yes”, John Langs “yes”. At 10:10 p.m. the group went out of executive session. No action was taken.

The meeting reconvened.

Dave Gray commented on the police department needing equipment that other departments currently have.

Dave Sims moved to table the hiring policy. Dave Gray seconded the motion. The motion passed, all in favor.

Stephen explained the water and sewer system classes that the city has. We are a water treatment class three and sewer treatment class one. Doug Ladely also explained this to council. He said the miles of water line are considered in the classification system. We are a sewer treatment class one due to the fact that we chlorinate. An employee can be one class above what the system is according to Doug on the distribution and collection rating. Mayor Anderson said there is an enormous amount of monitoring of the systems and asked how much of this can be overseen and how much must be hands on. Doug said it depends. Stephen said Mike Klaus is also a great resource to the water and sewer systems. Dave Sims asked if we are creating a new position. Stephen said we are redefining what Doug has been doing for the past couple years. Dave Sims moved to refine Doug’s position and increase Doug’s wages to \$19.50 per hour now and when he gets his class three certification increase his wages to \$20.50 per hour. John Langs seconded the motion. The motion passed, all in favor.

The meeting adjourned at 10:24 p.m.

David Anderson, Mayor

Attest:

Kris Larson, City Clerk